UNDP

UNITED NATIONS

DEVELOPMENT

PROGRAMME

Distributed on request
DP/PROJECTS/7459

ENGLISH

APPROVAL OF UNDP ASSISTANCE TO A PROJECT OF BANGLADESH

IPF:(1992-96) $163 172 000

(BGD/91/004) - Export Development and Promotion

Date of approval:	29 December 1992
Expected duration:	Three years
Proposed executing agency:	International Trade Centre
Government implementing agency:	Export Promotion Bureau (EPB) (Ministry of Commerce)
Proposed UNDP contribution:	$ 2 706 500 Source of funds: IPF
Total UNDP budget:	$ 2 706 500

Project background

Bangladesh's export base is rather narrow; and until recently, was dominated by jute and jute products, and to a small extent by tea and leather. As international demand and prices for jute having declined consistently since the 1970s, the Government has endeavoured to diversify exports by encouraging development of non-traditional, domestic resource-based exports, (frozen fish and shrimp, leather), as well as exportable products based mainly on imported materials. The first breakthrough in the latter category was in ready-made garment exports, which increased from a negligible amount in 1980/81 to almost (US)$ 610 million in 1989/90 equivalent to about 40 percent of total merchandise exports. The growth in export of non-traditional items has gradually reduced the over-dependence on jute and contributed towards diversification and development of a more stable base of export earnings.

The EPB was assisted in the past to achieve a degree of self-reliance, particularly in export policy formulation, training, trade information and incentive packages. However, this assistance did not take into account the changing needs of the export subsector which include the broadening of the still narrow export base, product and market diversification. The EPB, which remains the only export promotion agency prospect, as trade associations are still in their formative stages and not geared to promotional work on their own, still requires additional assistance in order for it to play this role.

Market contacts and orientation, research, and assistance in establishing joint ventures, licensing agreements, buy-back and other arrangements and other aspects of long-term cooperation in production technology improvement and export marketing are lacking. Buyer contacts in existing markets need to be expanded and export markets diversified. To discharge these additional responsibilities effectively and provide improved services and catalytic support to the exporters, the EPB needs to have the legal status, organizational, functional and staffing structure commensurate with the new tasks and responsibilities as coordinating and leading agency in export development. The EPB needs to divest itself of its regulatory functions and to orient itself to providing services to the exporters in the needed areas. With this in view, its technical capability and effectiveness is to be further upgraded, and links among all participating organizations improved to ensure proper co-ordination and support to the exporting community. An increased involvement of manufacturers and exporters' associations at all stages is called for to ensure, inter-alia, an effective dissemination of project findings, recommendations and results and to bring about a multiplier effect. To this end the Government requested UNDP assistance under the present approval.

/...

Prior to and during the formulation of the project document, extensive consultations took place between the Export Promotion Bureau, Planning Commission, Economic Relations Division, Ministry of Commerce, International Trade Centre (ITC) and UNDP.

Description of project

The project is intended to contribute to the Government's efforts to diversify and expand non-traditional exports; to improve the institutional infrastructure by upgrading the capacity of the national focal point for export development and by establishing linkage among participating Government and private sector organizations. Specifically, the project will address certain selected product groups (Ready made Garments, Knitwear, Leather and leather products, electronics, vegetables/fruits/flowers, ceramic table wear and jewelry) by improving production techniques, quality control, design and packaging at enterprise level; enlarging their existing export market shares and penetrating into new markets.

Major part of the activities of the proposed Project are directed to the private sector exporting enterprises in the selected product groups and their trade associations. A number of enterprises will be selected for direct assistance in export product and market development, arranging joint ventures, marketing tie ups and other cooperating mechanisms. The benefits will be extended to more exporting enterprises by dissemination seminars in cooperation with the trade associations, and formation of joint working groups with the industry and tarde associations. The Government counterpart agency will be associated in all these activities to upgrade its ability for continued provision of advice and assistance to the exporting private sector enterprises.

At the institution level, the project will assist the Government in the formulation of a coherent and dynamic institutional framework for export development and promotion, and improve its service rendering capability. It will also attempt to revise and upgrade the National Export Training Programme (NETP) and ensure tnat it is fully operational for the period 1993-95.

The strengthening and upgrading of the training capacity and trade information and market intelligence service of the Government counterpart agency will improve the skills of the operatives and executives of the private sector exporting enterprises in export management and market penetration and enable them to obtain information and intelligence relevant to their export business operations.

Inputs

UNDP will provide short-term sectoral consultants (10 work-months), an international project coordinator (24 work-months), UNV programmer (24 work-months), national experts (170 work-months), administrative support, in-depth evaluation mission; fellowships and study tours for Government personnel and private entrepreneurs, local training, publication of manuals and promotional materials, office equipment; and miscellaneous costs.

Financial data

	$
Personnel	1 962 000
Training	470 000
Equipment	145 500
Miscellaneous	129 000
Total	2 706 500

- - - - -

UNITED NATIONS

DEVELOPMENT

PROGRAMME

UNDP

Distributed on request

DP/PROJECTS/7460

ENGLISH

APPROVAL OF UNDP ASSISTANCE TO A PROJECT OF NEPAL

IPF:(1992-96) $77 772 000

(NEP/91/037) - Privatization of Manufacturing Public Enterprises

Date of approval:	13 February 1991
Expected duration:	Six months
Proposed executing agency:	The World Bank in cooperation with ILO
Government implementing agency:	Ministry of Finance
Proposed UNDP contribution:	$ 581 500 Source of funds: IPF
Total UNDP budget:	$ 581 500

Project background

For the last three decades, the Government of Nepal, under the framework of a mixed economy, has adopted state entrepreneurship as a strategy for rapid industrial development and betterment of the people. With the support of bilateral and multilateral donors, the Government has so far established sixty-two public enterprises in major sectors of the economy. Twenty eight of these enterprises are in the manufacturing sector and nine in the trading sector.

For various technical and managerial reasons, however, most of the public enterprises are in the red and have become a financial burden to the Government of Nepal absorbing about 12 to 20 per cent of total public revenue. Manufacturing and trading public enterprises alone account for about half of the Government's resource outflow. Most of the public enterprises are ill-managed, overstaffed and running at low capacities in spite of receiving protection and financial support from the Government of Nepal.

In the light of these developments, the Government has recently declared in the Approach Paper to the Eighth Plan (1992 - 1997) prepared by the National Planning Commission in November 1991 and the Draft Industrial Policy (1992), its intention to adopt a liberal and private sector oriented industrial development policy and to reallocate public sector funds in crucial and high priority areas focusing on rural development. It has promulgated a Policy Paper on Privatization which sets forth the operational guidelines for the implementation of a privatization programme of the public enterprises.

As called for in the policy paper, the Government of Nepal has constituted a three-tier institutional framework on the privatization programme comprising of a high level Privatization Commission, a Technical Committee, and a Secretariat to the Technical Committee (the Privatization Cell). For a start, three manufacturing public enterprises in the leather and shoe, brick and tile, and paper industries have been selected for privatization by 15 July 1922.

Due to the magnitude of the tasks involved, the Government has requested assistance from UNDP and the World Bank/IDA in the preparation of a long-term privatization and restructuring programme based on the policy paper as well as in the implementation of the privatization of the selected manufacturing public enterprises.

/...

Description of project

The project has a two-pronged objective: (1) to carry out successfully the privatization of the three selected manufacturing public enterprises; and (2) to prepare a comprehensive long-term privatization programme.

To address the sensitive issue of the treatment of surplus labour in the three manufacturing public enterprises, the project provides for the preparation of a comprehensive redundancy package involving the development of incentive schemes for early retirement or voluntary or involuntary departures. ILO has agreed to serve as a cooperating agency with the World Bank/IDA in this activity.

An intensive study of the sugar industry will be undertaken to guide the privatization of a public sector sugar factory. The study will analyse the structure of the sugar industry, examine the impact of the Government's policy on the industry, and determine the impact of abolishing price control. Since there are a number of similar industries in the public sector, this study should also provide a valuable input in determining privatization options for such "sensitive" industries. The project also intends to develop a communications and awareness programme for privatization in order to make the benefits of privatization clear to all concerned parties, and to provide assurances to them of the Government's commitment to the process. The project will come up with a long-term privatization programme including an identification of the necessary capital and technical assistance for its implementation.

Project activities are intended to be completed within a strict time frame in line with the Government's commitments towards privatization.

Inputs

UNDP will provide two work-months for a redundancy specialist (from ILO), three work-months for an economist, three work-months for a lawyer/privatization specialist and two work-months for unspecified consultants; a sub-contract with international consulting firms to carry out the "Valuation and Privatization of the Public Enterprises" and the "Sugar Industry Study", a subcontract with national consulting firms to carry out the Retirement/Redundancy Study in coordination with ILO Consultants as well as designing and implementing a communications programme; equipment; and miscellaneous costs.

Financial data

	$
Personnel	150 000
Subcontract	363 500
Equipment	33 000
Miscellaneous	35 000
Total	581 500

- - - - -

UNDP

UNITED NATIONS

DEVELOPMENT

PROGRAMME

Distributed on request
DP/PROJECTS/7461

ENGLISH

APPROVAL OF UNDP ASSISTANCE TO A PROJECT OF NEPAL

IPF:(1992-96) $77 770 000

(NEP/92/012) - District Agriculture Planning

Date of approval:	23 October 1992
Expected duration:	Two years
Proposed executing agency:	Government
Government implementing agency:	Ministry of Agriculture
Proposed UNDP contribution:	$ 461 000 Source of funds: IPF
Total UNDP budget:	$ 461 000

Project background

The democratically-elected Government of Nepal has emphasized that all planning and development activities, including those related to agriculture and rural development, should be directly responsive to the needs of the people. The concern is not only to meet household food requirements of farmers but also to increase their income through on-and off-farm activities. In the agriculture sector, the Government has decided to adopt decentralized district planning exercises, where local people have the opportunity to participate in the planning process, so as to determine and exploit the comparative advantages which each district may have, and then to allocate Government resources to those districts in a most rational manner.

The Eight Five-Year Plan has clearly underlined the need for an inter-sectoral approach to district agricultural planning. To achieve this end, the Government has requested UNDP technical assistance. Keeping in view the importance of the district agriculture planning and its potential in the overall economic growth of the country, UNDP assistance is expected to operationalize the concept of district level agriculture planning by involving the beneficiaries in formulating the agriculture plans through a process of "convergent planning", which combines the articulation of local level needs and aspirations along with a consideration of central policy level concerns.

Description of project

The development objective of the project is to contribute to the attainment of improved income generation through increased agriculture production in rural areas and thereby to alleviate the poverty.

The immediate objectives of the project are to: (a) prepare operational district agricultural plans in the selected twenty districts; and (b) improve the agricultural planning capability of the officials of the Ministry of Agriculture, and its twenty district level offices, the District Development Committee members and beneficiaries.

Project activities will include: (a) preparing planning guidelines; (b) mobilizing planning teams to visit rural areas; (c) organizing training programmes for officials and local representative groups; and (d) preparing training methodology. The project outputs will consist of 20 operational district plans, a large number of officials (approximately 700) trained in the operational district agricultural planning techniques and training methodologies for use in other districts.

/...

Inputs

UNDP will provide an international agriculture planning economist (four work-months); unspecified consultancies (four work-months); a subcontract for organizing, fielding and supervising the planning teams, and for in-country field level training in 20 districts; a study tour by senior planning staff in a suitable country in the region; and a computer and printer.

Financial data

	$
Personnel	132 000
Subcontract	282 000
Training	20 000
Equipment	17 000
Miscellaneous	10 000
Total	461 000

- - - - -

UNDP

UNITED NATIONS
DEVELOPMENT
PROGRAMME

Distributed on request
DP/PROJECTS/7462

ENGLISH

APPROVAL OF UNDP ASSISTANCE TO A PROJECT OF
PARAGUAY

IPF:(1992-96) $ 5 185 000

(PAR/92/015) - Support to the Sectoral Investment Programme

Date of approval by the AC:[1/]	10 March 1993
Expected duration:	45 months
Proposed executing agency:	UNDP/OPS
Government implementing agency:	National Economic Team
Government cost sharing:	$8 900 000
Total UNDP budget:	$8 900 000

Project background

Paraguay underwent an economic crisis during the 1980s which manifested itself in macro-economic imbalances, erratic growth rates and debt payments in arrears. A period of both economic and political transition started in 1989 when a new democratic government took power. Adjustment-oriented economic policies adopted by this government have permitted an economic stabilization as of 1991, trade liberalization, integration in the MERCOSUR, as well as a solution to the external debt problem in 1992. However, despite stabilization, savings and investment rates have remained short of their established goals to allow sustainable economic growth. Further, a shortfall in the domestic investments has failed to generate adequate levels of employment and income.

In order to promote savings and investments and to stimulate the private sector activities, the Government has defined a new programme of economic reform targeted to transform the productive and financial sectors. In this context, and as a result of the upstream dialogue with the Government in the framework of the project (PAR/90/006), UNDP has been providing support to the Government in the formulation of two IDB loans (727/OC-PR $70 million and 728/OC-PR $11,5 million) aimed at financing a Sectoral Investment Programme for the transformation of the productive and financial sectors. The present project proposal falls within the priorities defined by the Government of Paraguay for the international technical cooperation, and corresponds particularly to one of the areas of concentration of the Country Programme for the Fifth Cycle: Strengthening of the Public Sector.

[1/] This Fact Sheet reflects the status of the project/revision at the time it was approved by the Action Committee; modifications to the project/revision may have occurred subsequently.

/...

Description of project

The long-term object of the project is to establish an appropriate environment for increasing levels of savings and investments in the public and private sectors, as well as flows of foreign investment.

The immediate objectives of the project are to: (a) modernise the regulatory framework of investments through elimination of restrictions to foreign investment and an adequate protection of intellectual property rights; (b) conduct trade reform through modernization in customs and trade practices; (c) strengthen the mechanisms for the implementation of the Plan of Privatization of Public Enterprises; (d) consolidate the tax reform; and (e) develop a new policy framework for the financial sector and the capital market.

The major outputs will include: (i) a new legal framework established for constitution of corporations and protection of intellectual property rights; (ii) customs procedures simplified; (iii) a comprehensive plan defined for privatization of the public enterprises; (iv) tax policies and regulations established; and (v) a new regulatory framework established for the financial sector and capital market, and a study for the future reform of the social security system.

Inputs

UNDP will provide 458.5 man-months of international experts and consultants in the areas of tax policy, finance, arbitration, foreign trade, industrial sector, customs, environment, capital markets, social security and insurance; 716 man-months of national professional staff in fields such as arbitration, intellectual property rights, privatization, tax, administration, informatics and law; subcontracts in the fields of intellectual property, audit, banking, finance and public enterprises privatization; training through fellowships, group training and on-the-job training; equipment; administrative support, local travels; and miscellaneous costs.

Financial data

	$
Personnel	5 124 600
Subcontract	2 539 700
Training	306 800
Equipment	97 000
Miscellaneous	831 900
Total	8 900 000

- - - - -